



February 25, 1999

HOUSE BILL No. 2039

DIGEST OF HB2039 (Updated February 23, 1999 12:32 pm - DI 97)

Citations Affected: IC 22-3; IC 27-1; noncode.

Synopsis: Worker's compensation regulation. Provides that any individual, organization, or entity that provides worker's compensation coverage must be regulated by the worker's compensation board of Indiana consistent with the requirements for insurers. Provides that the department of insurance fund may be used to administer the provisions of this act. Requires the worker's compensation board and the department of insurance to adopt joint rules not later than September 30, 1999.

Effective: Upon passage; January 1, 2000.

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January 27, 1999, read first time and referred to Committee on Insurance, Corporations and Small Business.
February 24, 1999, reported — Do Pass.

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February 25, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 2039

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 22-3-6-2.1 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2000]: **Sec. 2.1. Notwithstanding section 2 of this**
4 **chapter or any other law, any individual, organization, or entity**
5 **that provides worker's compensation coverage under this article**
6 **that is not regulated by the department of insurance shall be**
7 **regulated by the worker's compensation board of Indiana**
8 **established under IC 22-3-1-1 consistent with the requirements for**
9 **regulation of insurance companies under IC 27.**
10 SECTION 2. IC 27-1-3-28 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 28. (a) The
12 department of insurance fund is established for the following purposes:
13 (1) To provide supplemental funding for the operations of the
14 department of insurance.
15 (2) To pay the costs of hiring and employing staff.
16 (3) To provide staff salary differentials as necessary to equalize
17 the average salaries and staffing levels of the department of

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insurance with the average salaries and staffing levels reported in the most recent Insurance Department Resources Report published by the National Association of Insurance Commissioners.

(4) To enable the department of insurance to maintain accreditation by the National Association of Insurance Commissioners.

(5) To administer IC 22-3-6-2.1 concerning the regulation of entities that provide worker's compensation coverage.

(b) The fund shall be administered by the commissioner. The following shall be deposited in the department of insurance fund:

(1) Audit fees remitted by insurers to the commissioner under IC 27-1-3-15(d).

(2) Filing fees remitted by insurers to the commissioner under IC 27-1-3-15(e).

(3) Any other amounts remitted to the commissioner or the department that are required by rule or statute to be deposited into the department of insurance fund.

(c) The expenses of administering the fund shall be paid from money in the fund.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(e) Money in the fund at the end of a particular fiscal year does not revert to the state general fund.

(f) There is annually appropriated to the department of insurance, for the purposes set forth in subsection (a), the entire amount of money deposited in the fund in each year.

SECTION 3. [EFFECTIVE UPON PASSAGE] (a) The worker's compensation board of Indiana established under IC 22-3-1-1 and the department of insurance shall adopt joint rules under IC 4-22-2-37.1 not later than September 30, 1999, to implement and ensure the effectiveness of IC 22-3-6-2.1, as added by this act.

(b) This SECTION expires July 1, 2001.

SECTION 4. An emergency is declared for this act.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred House Bill 2039, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

FRY, Chair

Committee Vote: yeas 14, nays 0.

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